1943

File No. O. Trade Unions/43

A– **BRANCH**

Subject:–

Opinions Under the Indian Trade Unions Act, 1926

P.3/E

File No. O. Trade Unions/43

Gen. 194 e.

249 A

C O N T E N T S

Legal Department File No. O. Trade Unions/43.

Sr.No.	M.I./O.No.	Subject.	Pages.

Opinions under the Indian Trade Unions Act, 1926.

1.	O.N. 2522 7/4/43.	Sections 31(1)(2), 32 Whether it would be permissible for a Union to pay out of its funds or fine imposed on an Officer under.---	1-2.

JPE.10/7/56.
4 copies.

PHB
20/7/56

NLCB
21/7

3036/12-3-43.

Submitted.

2- The Reserve Bank 'D' Class Employees' Union BOMB. has forwarded a copy of its rules as required by section 5(1) of the Indian Trade Unions Act, 1926, with its application for registration under the same section. Rule 5 of the said rules is as follows:-

"If, as a result of some inadvertance, any incorrect information or statement is submitted to the Registrar of Trade Unions by any office bearer or member of the Managing Committee and the person supplying such information is penalised under section 31(1)(2) and section 32 of the Indian Trade Unions Act, the amount of fine imposed on any such member or office bearer, may at the discretion of the Managing Committee, be paid from the funds of the union." In view of section 15 of the Act, the Registrar of trade Unions doubts whether it would be permissible for a Union to pay out of its funds a fine imposed on an officer under section 31 and 32. He therefore proposes to ask the Union to omit the rule from its constitution. The R.L.A. is requested to advise whether the view taken by the Registrar is correct.

3. Sub-section (1) of section 31 of the Indian Trade Unions Act, 1926, provides if a default is made by an officer or other person bound by the rules of the Trade Union is giving any notice or sending any statement or other document, he is punishable with afine which may extend to five rupees, etc. Sub-sedtion(2) provides that if any person who wilfully makes , or causes to be made, any false entry in, or any omission from, the general statement required by section 28, or in or from any copy of rules or of alteration of rules sent to the Registrar under that section, shall be punishable with fine which may extent

five hundred rupees, sec.32 provides for punishment of offence of supplying false information regarding trade union. Section 15 provides that the general funds of a registered Trade Union shall not be spent on any other objects than those mentioned thereunder mentioned thereunder. Clause (a) refers to the payment of salaries, allowances and expenses to officers of the Trade Union and Clause(b) provides for payment of expenses for the administration of the Union. Clause (c) provides for payment of expenses in connection with the prosecution or defence of any leagal proceeding to which the Trade Union or any member thereof is a party, when such prosecution or defence is undertaken for the purpose of securing or prtotecting any rights of the Trade Union as such or any rights arising out of the relations of any member with his employer or with a person whom the member employs. The portion underlined above shows that expenses for legal proceedings against a member of the Trade Union can be met from the general funds provided they are undertaken for the purpose of securing or protecting any rights of the Union or any other rights arising out of the relations of any meber with his employer or with a person whom the member employs. Rule 5 of the Rules made by the Reserve Bank 'D' class employees' Union, Bombay providing for payment out of its general fund fines imposed on its office-bearer or member under sections 31 and 32 does not appear to be intra vires of the Act. The view taken by the Registrar of Trade Unions, at pp. 1-2 ante is correct.

Sd/- P.S.Nadkarni 3D/3

S.A.S. Replymay be as at 'A'.

Id/- R.T.K. 31/3

A.L.R. Id/- R.S.H. 2/4

R.L.A. Id/- P.N.M. 6/4 Office of the R.L.A.

The view taken by the Registrar of Trade Unions at pages 1-2 ante is correct.

Id/- P.N.M. 6/4

Remembrancer of Legal Affairs.

U.R. to P. & S.D., NO.2522, dated the 7th April 1943.

JPE.10/7/56.4c.